



"Behind the Scenes"

Return Processing

June 28, 2005



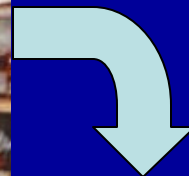
"Behind the Scenes"

- A superb processing year
- Electronic returns exceeding paper
- Growing popularity of e-file

But first.....

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Returns Delivered and Sorted

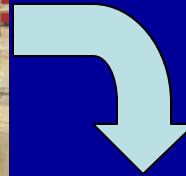


Tingle Table in Action

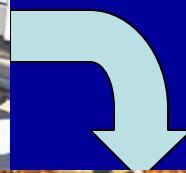


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Batched, Edited and Numbered



Computer Checked...Errors Corrected



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Most Common Errors

- Dependent's last name didn't match SSN – IMF paper returns
- Name/TIN mismatches or EINs non-existent – BMF returns
- EITC was computed incorrectly – both paper and e-filed IMF returns
- Additional Child Tax Credit figured incorrectly – IMF e-filed returns

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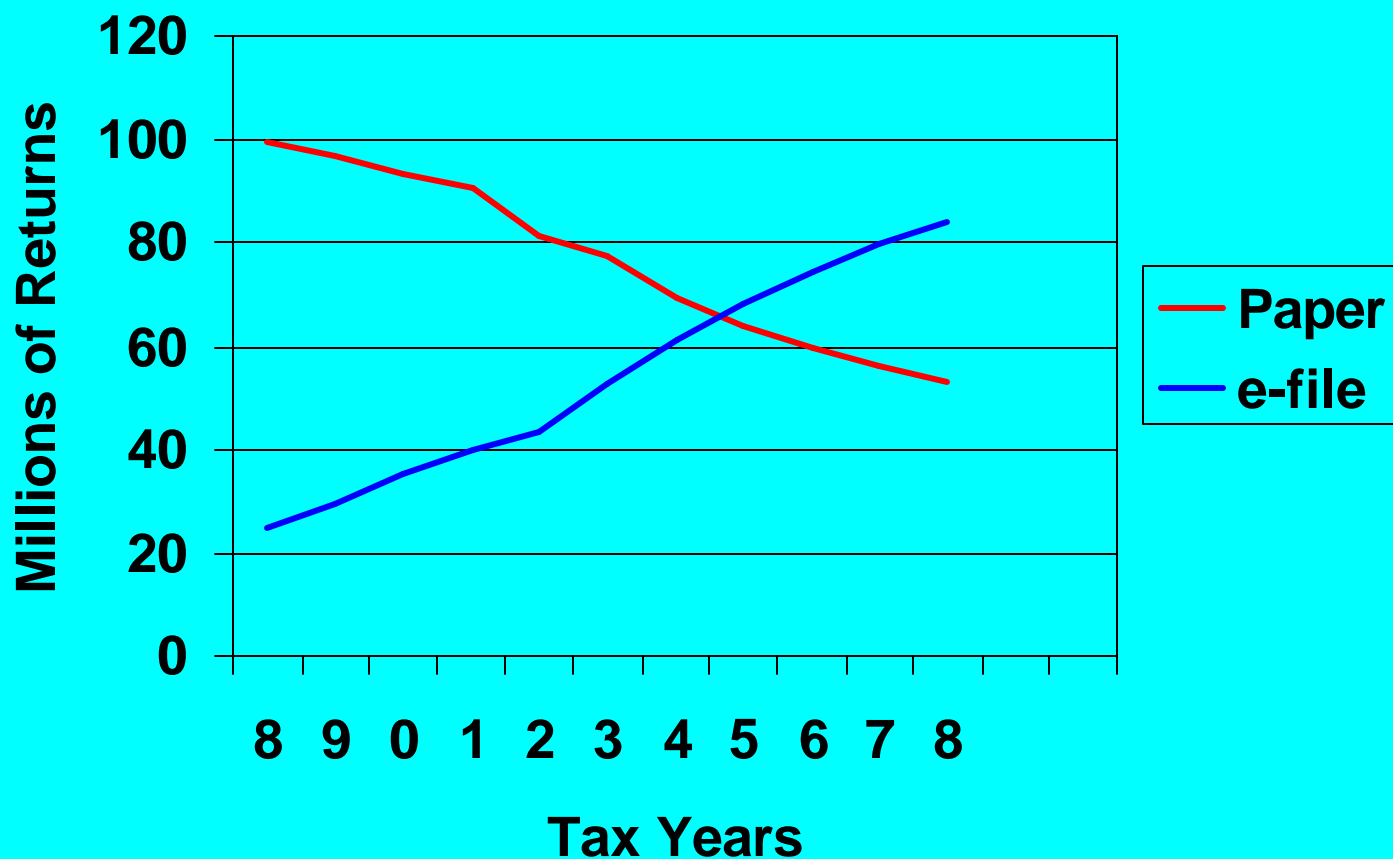
The E-file Advantage

It's a Fact that....

- 21 % of IMF paper returns require corrections versus one percent for e-file
- Refunds from paper processing average 40 days versus 10-14 days for e-filed returns
- Electronic acknowledgement of acceptance

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E-File Volume Grows



2005-2008 are projected volumes

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The left side of the slide features a vertical banner. At the top is the 'IRS e-file' logo. Below it is a stylized American flag. Further down is a silhouette of a person in a suit. At the bottom is a classical column. The text 'IRS Nationwide 2005 TaxFORUM' is at the bottom left.

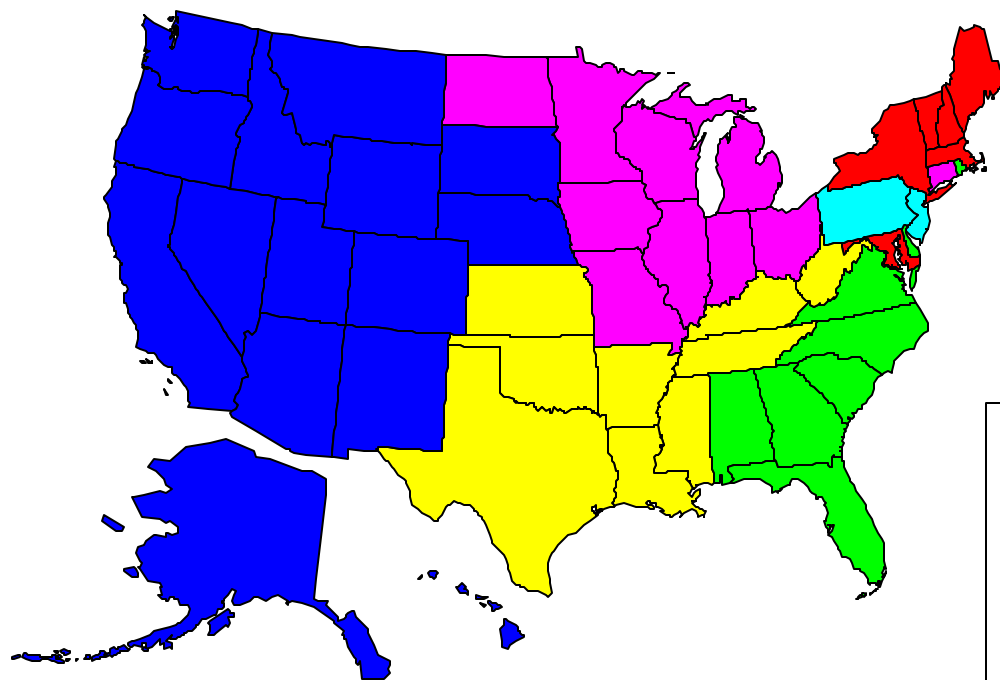
Making E-file easier . . .

- Additional IMF Drains
- Accept previously rejected returns
- Unformatted records increased for Fed/State returns
- New forms added to e-file for 941, 1040, 1041 and 1065 returns

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Processing Returns Nationwide

Approved IMF Paper Map - **2006**



United States

States Per Site

- AN (6)
- AT (8)
- AU (9)
- F (15)
- KC (10)
- P (2)

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Coming Attractions

- Regulatory Changes
- Form Changes
- Legislative Changes
- Elimination of Telefile
- Payment Changes

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Finally, What if

- Refunds could be issued 5 to 10 days earlier
- Refunds were issued daily verses weekly
- Our 40 year old system were replaced with a modernized database



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